

# City Council Memorandum

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**TO: HONORABLE MAYOR AND CITY COUNCIL**      **DATE: July 28, 2009**

**FROM: DEVELOPMENT DEPARTMENT**      **ITEM NO: 21**

**WARDS: ALL**

**SUBJECT: UPDATE ON THE CITY OF RIVERSIDE'S HOMELESS ASSISTANCE AND PREVENTION STRATEGY AND AUTHORIZE THE ESTABLISHMENT OF A COMMUNITY-BASED DONOR ADVISED FUND TO SUPPORT THE CITY'S HOMELESS STRATEGY**

## **ISSUES:**

The first issue before the City Council is to receive and file an update on the City of Riverside's homeless assistance and prevention strategy.

The second issue before the City Council is whether to authorize Development Department staff to work with The Community Foundation to establish a community-based donor-advised fund to support the City's homeless strategy and allocate a \$10,000 contribution to initiate the fund.

## **RECOMMENDATIONS:**

That the City Council:

1. Receive and file an update on the Homeless Assistance and Prevention Strategy (attached as Exhibit A).
2. Authorize the City Manager, or his designee, to execute the Agreement, including making minor, non substantive changes, and to sign all documents and instruments necessary to complete this transaction.
3. Approve and direct the City Manager, or his designee, to establish a community-based donor-advised fund through The Community Foundation in order to solicit private sector contributions to support the City's homeless strategy and execute the necessary documents to establish said fund with The Community Foundation.
4. Authorize the expenditure of \$10,000 from the Homeless Access Center Account No. 2855304-424130 to The Community Foundation in order to initiate the donor-advised fund.

## **COMMITTEE RECOMMENDATIONS:**

On May 11, 2009, the Community Services and Youth Committee, with all members present, voted unanimously to recommend that the City Council consider a donor-advised Riverside End Homelessness Fund to support the City's homeless strategy, advise staff to work with The Community Foundation to establish the Fund and provide a one-time allocation of \$10,000 in order to initiate the

Fund. In addition, the Committee requested a mid-year update on the City's Homeless Assistance and Prevention Strategy which is attached as Exhibit "A".

### **BACKGROUND:**

In June 2003, the City of Riverside adopted the "Riverside Community Broad-Based Homeless Action Plan" (Plan). Since its adoption, the City has pro-actively pursued implementation of the 30 action-based strategies within the Plan, as well as other initiatives in partnership with the County of Riverside and a broad range of non-profit organizations, social service agencies, faith-based institutions, and others working together to address the issue of homelessness in our community.

A number of action steps within the Plan call for staff to identify and seek funding resources to help support initiatives within the Plan. Since adoption of the Plan, supplementary federal and state resources have been secured, and staff continues to pursue additional federal and state resources. However, successful implementation of the Plan requires looking beyond government resources and strategically leveraging support from the private sector. To that end, Development staff has initiated conversations with The Community Foundation regarding establishing a "community-based donor-advised fund" to help support the City's homeless strategy.

The Community Foundation is a 501(c)(3) non-profit corporation whose mission is to improve the quality of life in Riverside and San Bernardino Counties. This is accomplished by collecting and managing funds received from charitable donors and connecting those funds with the causes that donors are seeking to support. The "donor-advised fund" is a very flexible fund in that all decisions on how the funds will be used are made by a Fund Advisory Committee ("Committee") that the City will establish. The Committee will be comprised of ten local stakeholders representing city government, the faith community, local business and non-profit agencies. Prospective members of the Committee will be presented to the Mayor's Nominating and Screening Committee for appointment and asked to serve a term of two years.

The City's donor-advised fund will be called the *Riverside Ending Homelessness Fund* ("Fund") and is based on a best-practice approach created in Marin County. The Fund will provide the private sector and general public with an opportunity to invest in the effort to end homelessness in Riverside. The Fund will also be used as the repository for direct donations generated through a new anti-panhandling campaign that is currently under development. Use of the contributions to the Fund will be limited to the City's homeless initiatives and programs, with 50 percent of the contributions being directed into an endowment dedicated to the same use. The endowment will be established once the Fund reaches a \$250,000 threshold. Once the \$250,000 threshold is met, equal amounts of \$125,000 will be split to the Fund and an endowment account with all future donations being split fifty-fifty between the Fund and the endowment.

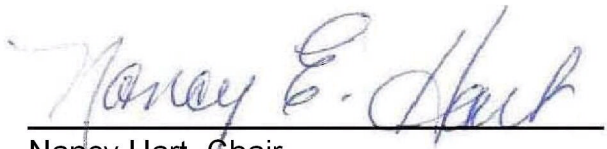
Staff recommends that the City make an initial deposit of \$10,000 required to set up the Fund from an account established to support the operations of the Homeless Access Center.

### **FISCAL IMPACT:**

There is no fiscal impact to the General Fund. Sufficient funds are available in the Homeless Access Center Account No. 2855304-424130 to facilitate a \$10,000 contribution to The Community Foundation in order to establish the Riverside Ending Homelessness Fund.

Submitted by: Deanna Lorson, Development Director  
Certified as to  
Availability of funds: Paul C. Sundeen, Assistant City Manager/CFO/Treasurer  
Approved by: Belinda J. Graham, Assistant City Manager  
for Bradley J. Hudson, City Manager  
Approved as to form: Gregory P. Priamos, City Attorney

Concurs With:

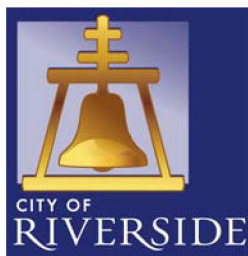


Nancy Hart, Chair  
Community Services and Youth Committee

Attachments: Exhibit "A" – Homeless Strategy updates report  
Exhibit "B" – Agreement Creating a Pass-Through Donor Advised Fund at the  
Community Foundation

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JUNE 2009

## 2009 Mid-year Update on the City's Homeless Assistance and Prevention Strategy

The City of Riverside has taken a pro-active approach to addressing homelessness in our community in partnership with a wide-range of non-profit organizations, social service agencies and faith-based institutions. Through this collaboration, the City of Riverside's Homeless Assistance and Prevention Strategy has been successful in assisting many individuals and families move toward housing stabilization. The following is a brief update on some of the major developments and initiatives underway:

### 1. 2009 COUNTY OF RIVERSIDE HOMELESS CENSUS

In January of 2009, the City of Riverside participated with the County of Riverside in the biennial homeless census as required by The U.S. Department of Housing and Urban Development (HUD). The Countywide census results showed a 25% decline in the number of homeless individuals in the County on any given day. There were **632 individuals** identified as being homeless in the City of Riverside on any given day based on the census results. This number represents an over **53% reduction** from the point-in-time count conducted in 2007.

### 2. HOMELESS STREET OUTREACH PROGRAM

The City of Riverside Homeless Street Outreach Team continues to provide daily mobile outreach and client service engagement focused on the "hardest-to-reach" and "service-resistant" populations on the streets, in service venues, and other locations where they can be found. During the 2008/09 program year, the Outreach Team engaged over 600 homeless individuals and worked with community partners to connect people to a range of assistance including shelter, housing, employment, benefits assistance, behavioral health services, transportation back to their hometown and other assistance they need. Over the last year, The Outreach Team has also worked pro-actively with two dozen chronically homeless individuals to assist them with exiting life on the streets and move directly into housing coupled with aggressive case management.

### 3. RIVERSIDE EMERGENCY SHELTER

Another measurement of homeless trends in this community is shelter usage. In program year 2008/09, approximately 2,000 unduplicated individuals spent at least one night at the city's general emergency shelter or family shelter. Over the last three years, the number of individuals and families participating in the year-round emergency shelter programs in the city has remained fairly steady, however, the number of unduplicated individuals participating in the cold weather shelter program (from December 1 – April 15) has declined by 37% over the last three years.

### 4. HOUSING FIRST INITIATIVE / TENANT-BASED RENTAL ASSISTANCE PROGRAM

The Development Department has contracted with the Housing Authority of the County of Riverside (HACR) to provide short- and medium-term Tenant-Based Rental Assistance (TBRA) to homeless individuals and families as well as those at-risk to homelessness in Riverside utilizing federal HOME and CDBG funding. Over two dozen households, have received assistance through the TBRA program during the first six months of program implementation by HACR.

### 5. HOMELESS PREVENTION AND RAPID RE-HOUSING PROGRAM

The Development Department is working with the Housing Authority of the County of Riverside (HACR) to complete plans for the initial implementation of the Homeless Prevention and Rapid Re-Housing Program (HPRP), which is a federal stimulus grant. HUD anticipates releasing HPRP funding to communities by



September. The City will be receiving \$1.3 million in HPRP funds which will be used to provide financial assistance and services to prevent individuals and families from becoming homeless or help those who are experiencing homelessness to be quickly re-housed and stabilized.

**6. PERMANENT SUPPORTIVE HOUSING PROGRAM**

The Development Department is working with local nonprofit housing developers to implement two permanent supportive housing projects, each with eight units for a total of 16, funded through the HUD Continuum of Care Supportive Housing Program (SHP). One of the projects targeting homeless persons with disabling conditions began housing clients this month. The other project targeting chronically homeless individuals is slated to begin housing clients by the end of 2009.

**7. RIVERSIDE HOMELESS CARE NETWORK**

Over 50 organizations, including nonprofit service providers, municipal service agencies, law enforcement, and faith-based institutions, continue to participate in monthly meetings of the City-sponsored *Riverside Homeless Care Network* (Network). The Network serves as a vehicle to facilitate effective communication, coordination, and collaboration within the continuum of care services to the homeless in the City of Riverside. Network meetings are held on the 3<sup>rd</sup> Thursday of the month at the Riverside Emergency Shelter on Hulen Place.

**8. ANNUAL FUNDING FOR SOCIAL SERVICE PROVIDERS**

Over \$700,000 in federal funding has been allocated by the City Council in fiscal year 2009/2010, including Community Development Block Grant (CDBG), HOME Investment Partnership Act (HOME), and Emergency Shelter Grant (ESG) programs, to over a dozen public and private service agencies that assist homeless individuals and families and those at-risk of becoming homeless. Funding to these agencies support a wide-range of programs and services including homeless prevention, outreach, emergency shelter, transitional housing, mental health and substance abuse treatment services, domestic violence assistance, rental assistance, basic needs resources, general emergency assistance and referral services.

**9. ONE-STOP MULTI-SERVICE ACCESS CENTER**

An RFP was released in June for the tenant improvements to the building at 2880 Hulen Place in order to transform the facility into a multi-service center. The Homeless Street Outreach Team is presently housed in the facility.



## AGREEMENT CREATING A PASS-THROUGH DONOR ADVISED FUND AT THE COMMUNITY FOUNDATION

THIS AGREEMENT ("Agreement"), made this \_\_\_\_ day of \_\_\_\_\_, 2009, between the City of Riverside, a California charter city and municipal corporation (the "Donor") and The Community Foundation, a nonprofit corporation, having its principal office in the City of Riverside and the State of California.

### WITNESSETH:

WHEREAS, the Donor desires to create a Fund for philanthropic purposes; and

WHEREAS, the Donor may transfer additional property for such purposes;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the Donor does hereby irrevocably assign, convey, transfer, and deliver to The Community Foundation *Ten Thousand Dollars [\$10,000.00]* TO HAVE AND TO HOLD the same and any other property which The Community Foundation may hereafter at any time hold or acquire thereunder and all undistributed income from the foregoing property, NEVERTHELESS as a component fund of The Community Foundation, a California charitable corporation and community foundation for the following uses and purposes and subject to the terms and conditions herein set forth:

FIRST: The Fund hereby created shall be known as the Riverside Ending Homelessness Fund.

SECOND: The Community Foundation shall hold, manage, invest and reinvest the Fund, shall collect the income and shall pay and disburse the net income and principle which distributions shall be exclusively for general charitable uses and purposes, in accordance with the provisions specified in the Articles of Incorporation and Bylaws of The Community Foundation, whether now existing or as later amended from time to time by the Directors of The Community Foundation, all of which provisions are hereby incorporated by reference and conclusively assented to and adopted. (The phrase "charitable uses and purposes" shall be defined as all of those activities, uses, and purposes described in Section 501(c)(3) of the Internal Revenue Code.)

THIRD: Net income shall be disbursed subject to SECOND, above, to fund operations, programs and activities at the City of Riverside Homeless Multi-Service Campus and other activities that advance the city's adopted strategies to address homelessness.

FOURTH: The Donor, or an Advisory Committee consisting of representatives selected by the Mayor's Nominating and Screening Committee, may from time to time submit suggestions to The Community Foundation concerning the distribution of net income and principle from the Fund exclusively for charitable purposes and in accord with paragraph THIRD, either within or without the State of California but within the United States of America. For so long as Donor or is making recommendations for grants from this Fund, Donor agrees not to recommend any grantee other than organizations described in Internal Revenue Code Section 170(b)(1)(A), unless The Community Foundation, in its sole discretion, agrees otherwise. Donor and each member of any Donor advisory



committee shall comply with all policies and procedures of the Community Foundation and give such certifications as are requested by The Community Foundation from time to time. The recommendations of the Donor or any Donor advisory committee may be accepted or rejected, in whole or in part, by The Community Foundation in its sole and absolute discretion.

FIFTH: The Community Foundation shall charge the Fund to the extent sufficient for reasonable and proper compensation for services and expenses. The fees charged to the Fund may from time to time change after a review by the Board of Directors.

SIXTH: It is intended that the Fund shall be a component part of The Community Foundation as defined in Section 1.170A-9(e)(11) of the Income Tax Regulations and that nothing in this Agreement shall affect the status of The Community Foundation as an organization (i) described in Section 501(c)(3) of the Internal Revenue Code of 1986 ("Code") and (ii) which is not a private foundation within the meaning of Section 509(a) of the Code. This Agreement shall be interpreted in a manner consistent with the foregoing intention and to conform with the requirements of the foregoing provisions of the Federal Tax Laws and any regulations issued thereunder.

SEVENTH: All transfers of property under this Agreement are subject to the condition that The Community Foundation, as of the date of transfer, is classified in good standing by the Internal Revenue Service as an organization (i) described in Section 501(c)(3) of the Code and (ii) which is not a private foundation as defined in Section 509(a) of the Code.

EIGHTH: The Fund created by this Agreement shall be administered in and under the laws of the State of California and this Agreement and the validity thereof shall be governed by and construed in accordance with the laws of the State of California. Donor intends that grants made from the Fund shall always be in full compliance with the Internal Revenue Code and Internal Revenue Service regulations, without requiring expenditure responsibility by The Community Foundation unless The Community Foundation, in its sole discretion, determines otherwise.

NINTH: The Fund shall be subject to the following requirements imposed upon funds of The Community Foundation under the terms and provisions of The Community Foundation's Articles of Incorporation and Bylaws, which includes but is not limited to the following: The Board of Directors shall have the power to modify any restrictions or condition on the distribution of funds if, in the sole judgment of the directors (without the necessity of the approval of any participating trustee, custodian, or agent), such restrictions or condition becomes, in effect, unnecessary, incapable of fulfillment, illegal, impractical, or inconsistent with the charitable needs of the community served, which is generally the Counties of Riverside and San Bernardino.

TENTH: All communications and notices, including financial statements, concerning the Riverside Ending Homelessness Fund shall be in writing and shall be delivered personally or shall be sent by U.S. Mail, postage prepaid, and addressed as follows:

If to DONOR:

City of Riverside  
Housing and Neighborhoods Division  
Attn: Eva Yakutis  
3900 Main Street, 2<sup>nd</sup> Floor  
Riverside, CA 92522

Phone: (951) 826-5615

Fax: (951) 826-2233

If to COMMUNITY FOUNDATION:

The Community Foundation  
Attn: Vice President of Grants  
4280 Latham Street, Suite C  
Riverside, CA 92501  
Phone: (951) 684-4194

ELEVENTH: During the performance of this Agreement, the parties shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition, including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex, or sexual orientation, in the selection and retention of employees and subcontractors and the procurement of materials and equipment, except as provided in Section 12940 of the California Government Code. Further, the parties agree to conform to the requirements of the Americans with Disabilities Act in the performance of this Agreement.

TWELFTH: This Agreement is intended by the parties hereto as the final and exclusive expression of the provisions contained in this Agreement and it supersedes and replaces any and all prior and contemporaneous agreements and understandings, oral or written, in connection therewith. This Agreement may be modified or changed only upon written consent of the parties thereto.

IN WITNESS WHEREOF, the Donor and The Community Foundation have executed this Agreement as of the date first written above.

DONOR

CITY OF RIVERSIDE, a California charter  
city and municipal corporation

THE COMMUNITY FOUNDATION,  
a nonprofit corporation

BY: \_\_\_\_\_  
City Manager

BY:   
President, CEO

Attest: \_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
Deputy City Attorney